2023

Popular Annual Financial Report

Fiscal Year Ended June 30, 2023

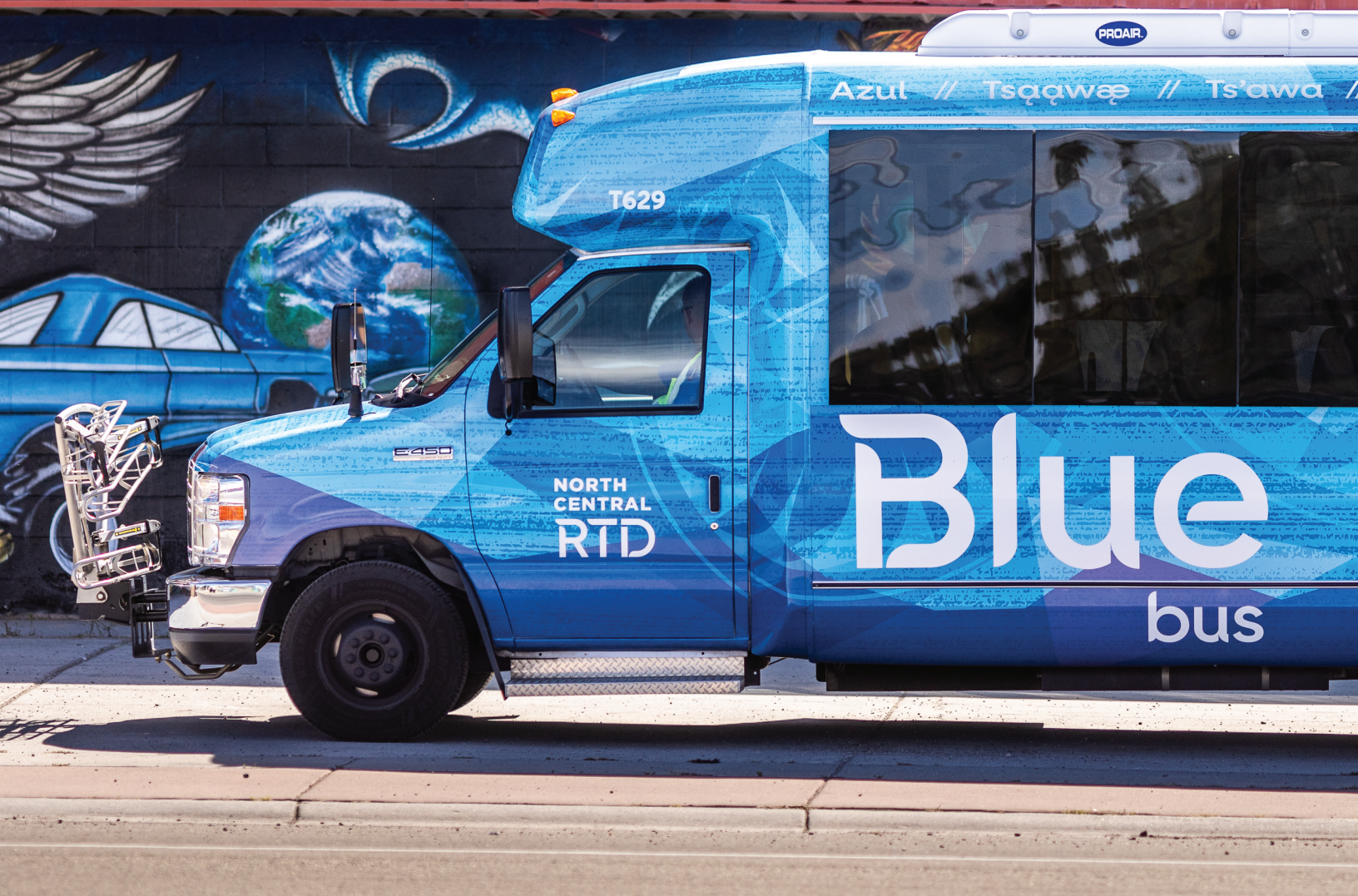


TABLE OF CONTENTS

MESSAGE FROM THE CHAIR AND DIRECTOR 2-3

BOARD OF DIRECTORS 4

ABOUT NCRTD 5

FINANCIAL HIGHLIGHTS 6-7

BOARD OF DIRECTORS ACTION REPORT 8-9

RIDERSHIP REPORT 10

CAPITAL PROJECTS MOVING FORWARD 12-15

AWARDS 16-17

MISSION STATEMENT

The mission of the North Central Regional Transit District is to improve communities' quality of life by providing a resilient, equitable, and effective public transportation system.

VISION

To be a mobility leader connecting people, communities, and the region through seamless, integrated, and innovative mobility options for the betterment of our region.

ABOUT NCRTD

The North Central Regional Transit District provides fare-free public transit service to an area that encompasses over 10,000 square miles of north central New Mexico. The District's Board is comprised of elected officials representing the counties of Taos, Los Alamos, Rio Arriba and Santa Fe; the Cities of Santa Fe and Española; the Towns of Taos and Edgewood; the Villages of Chama, Questa and Taos Ski Valley; as well as Tribal representatives from Nambé Pueblo, Ohkay Owingeh, Pueblo of Pojoaque, Pueblo de San Ildefonso, Santa Clara Pueblo, and Pueblo of Tesuque. Popularly known as The Blue Bus™, it provides service to more than 74 communities and sovereign nations.

Letter from the Chair and Executive Director

We are pleased to present the Popular Annual Financial Report (PAFR) for the Fiscal Year ended June 30, 2023. The PAFR provides a summary of the District's organizational structure, services, major initiatives, finance, achievements, and economic projections for readers without a technical background in accounting or finance.

This report is demonstrative of our commitment to preserving the District's long term financial strength and is intended to summarize the financial activities of the District's funds that are reported in more detail in the Annual Comprehensive Financial Report (ACFR). Unlike the ACFR, this report is unaudited and does not contain all reported funds and full financial disclosures for the fiscal year. The PAFR does not substitute for the District's ACFR. A copy of the ACFR is available in the Reports section under the About Us tab at www.ncrtd.org.

We're proud to announce that the District again received the Distinguished Budget Presentation Award for its annual budget for the fiscal year 2024 beginning July 1, 2023, and the Certificate of Achievement for Excellence in Annual Comprehensive Financial Reporting for fiscal year ended June 30, 2022, which represent the eighth (8) consecutive year receiving the award. For the fourth (4) consecutive year, the District received the Popular Annual Financial Reporting Award for the fiscal year ended June 30, 2022, from the Government Finance Officers Association (GFOA). These awards known as the Triple Crown, acknowledge that the District's financial reporting and management activities are recognized as best practices in New Mexico, and the nation.

This past fiscal year, the District continued its commitment to enhancing mobility, promoting sustainability, and improving the quality of life for the 74 communities and 289,292 citizens we serve. This report is designed to provide you with a snapshot of our fiscal health and the impact of our efforts on the communities we serve.

The District, with the Board's guidance, underpinned the fact that the District continues to be resilient, both financially and operationally. In spite of the challenges the District kept its focus on its long-term financial and strategic approach in managing its resources and implementing its capital investment program and planning for the future which included the following:

- Commencing the construction of a $17 million Operations, Maintenance and Fueling Facility in Taos.
- Commencing the design for the expansion and remodel of Phase I of the Jim West Regional Transit Center in Española.
- Completing the predevelopment and financial analysis for construction of workforce housing in Española.
- Completing a Zero Emissions Bus Transition Plan.
- Continuing the acquisition of six (6) electric buses, ten (10) vehicles, three (3) hybrid diesel electric buses and associated charging infrastructure to be placed in service in Española and Taos.

The aforementioned items are a sampling of the accomplishments contained within this report.

We extend our gratitude to our dedicated employees, Board of Directors, community partners, and the residents of the District for their continued support. Together, we will strive to create a vibrant and sustainable transportation system for our region.

Cordially,

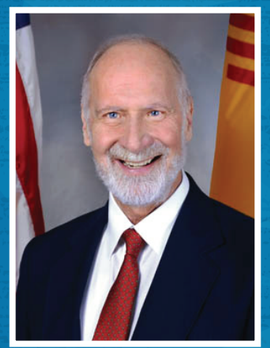
North Central Regional Transit District

Dennis Tim Salazar
Chairman and Española City Councilor

Anthony J. Mortillaro
Executive Director

BOARD OF DIRECTORS

Chair
Dennis Tim Salazar
Councilor
City of Española
Alternate
Justin Salazar-Torrez
Councilor



Vice Chair
Hank Hughes
Comissioner
Santa Fe County
Alternate
Camilla Bustamante
Comissioner

Secretary/Treasurer
Lee A. Garcia
Councilor
City of Santa Fe
Alternate
Eric Aune
MPO Transporation Officer

To Be Announced
Village of Chama
Alternate
To Be Announced

Commisioner
Ken Brennan
Town of Edgewood
Alternate
Filandro R. Anaya
Commissioner

Councilor
Melanee Hand
Los Alamos County
Alternate
James Barela
Transit Division
Manager

Lieutenant Governor
Natividad Herrera
Nambé Pueblo
Alternate
To Be Announced

Transportation Public
Works Director
Ben Lujan
Ohkay Owingeh
Alternate
Lucia Sanchez
Planning &
Transportation
& Grants Administrator

To Be Announced
Pueblo of Pojoaque
Alternate
Jeff Montoya
Special Projects

To Be Announced
Village of Questa
Alternate
To Be Announced

Commissioner
Alex M. Naranjo
Rio Arriba County
Alternate
Linda J. Padilla
Deputy County
Manager

Council Representative
Raymond Martinez
Pueblo de
San Ildefonso
Alternate
Christy Ladd
Project Manager

Tribal Sheriff
Donald Suazo
Santa Clara Pueblo
Alternate
Suzette A. Shije
Tribal Transportation
Program Director

Commissioner
Ronald Mascareñas
Taos County
Alternate
Darlene Vigil
Commissioner

Mayor
Pascual Maestas
Town of Taos
Alternate
To Be Announced

To Be Announced
Village of Taos
Ski Valley
Alternate
Jalmar Bowen
Building Inspector

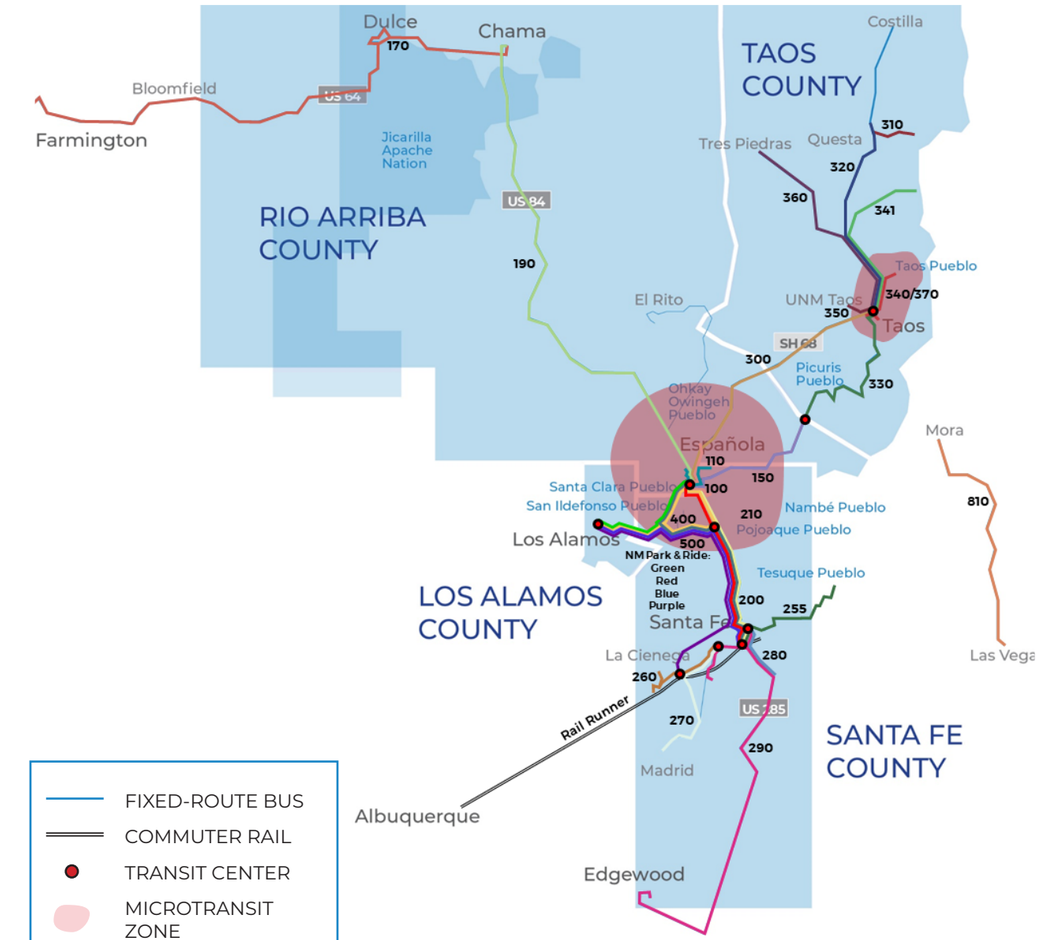
To Be Announced
Pueblo of Tesuque
Alternate
Brenda Atencio
Interim
Transportation
Director

Ex Officio Member: Dewey Cave, Rio Metro RTD, Alternate Elizabeth Carter

North Central Regional Transit District

- 26 Fixed routes (11 routes serving Rio Arriba County)
- 1 Seasonal route servicing Taos Ski Valley
- Contracted service serving Mora County
- MyBlue™ Demand Service (Española & Taos)
- Taos Express (Weekend Service)

The map below shows NCRTD service as of June 2023. This map also shows NMDOT Park & Ride and New Mexico Rail Runner Express services that operate in the four-county area. Microtransit service operates in Taos with a 2-mile radius from the 340 Chile Line, while in Española microtransit operates within a 15-mile radius of the Española Transit Center.



Fiscal Year 2023 Financial Highlights

This Annual Report contains summarized financial information taken in part from the North Central Regional Transit District's (NCRTD's) Fiscal Year 2023 Annual Comprehensive Financial Report (ACFR), which is published separately.

This Popular Annual Financial Report is a summary created for general readership to inform those without financial and/or accounting background and as such it does not contain all the information available in the District's ACFR.

Users desiring additional or more comprehensive information such as financial information presented in accrual method, by classification, Management's Discussion Analysis and/or Audited Financial statements please refer to the ACFR.

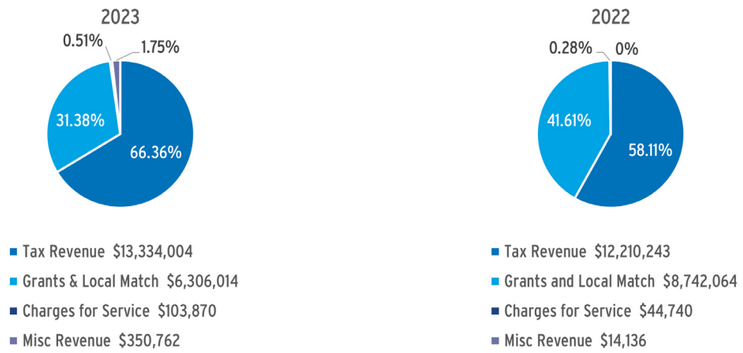
The FY 2023 ACFR is available at District's headquarters building in Española and/or the District's website at www.ncrtd.org (in the Reports section under the About Us tab). The Financial records and statements are fairly and accurately presented in accordance with Generally Accepted Accounting Principles (GAAP).

Budget

On June 30, 2022, the District adopted a balanced operating budget for Fiscal Year 2023 of $43,071,155 million. Revenues received during the 2023 Fiscal Year were $20,094,650 vs. $17,363,643* of expenses incurred. This means that the District received $2,731,007 more than it spent.

Revenues

For Fiscal Year 2023 the District received revenues in the amount of $20,094,650. The revenues were received from the following sources: Federal and State grants (31.38%), Transit Gross Receipt Taxes (66.36%), and miscellaneous sources (1.75%). The decrease in revenue during FY2023 is related to a decrease in the grant reimbursements for capital expenditures.



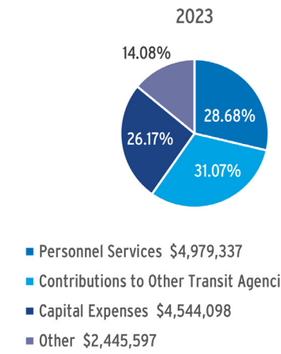
* The NCRTD's ACFR is presented under the accrual basis of accounting method in which revenues are recognized when earned and measurable and expenses are recognized when incurred.

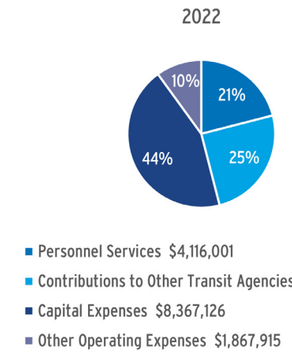
Expenses

Expenses incurred during Fiscal Year 2023 totaled $17,363,643 consisting of the following: Personnel services salaries (28.68%), GRT Contributions to other Transit Agencies (31.07%), Capital Outlay (26.17%), and Other Operating Expenses (14.08%).**

The largest expenditure category is Gross Receipts Tax (GRT) contributions made to other Transit agencies that provide services within the District's service area such as: the New Mexico Rail Runner Express, Santa Fe Trails and Atomic City Transit in Los Alamos County followed by personnel services salaries and Capital.

The decrease in expenses is net effect of decreases in salaries, benefits, and capital expenses.





Overall

For the Fiscal Year 2023 ending June 30, 2023, Jaramillo Accounting Group LLC, the District's external auditors, expressed an unmodified opinion which is the best opinion that can be received (often referred to as a 'clean' audit).

The NCRTD Finance department oversees and handles all financial aspects of the District that is inclusive of Accounts Payable, Accounts Receivable, Payroll and maintaining the General Ledger. The Finance Department is also responsible for all the aspects of the District's financial obligations and reporting in relation to grants compliance and procurements.

The District's financial status continues to improve with significant investment in capital including both infrastructure and rolling stock, along with increases in revenue.

A high standard of excellence, fiscal responsibility and values drives the District's Finance Department. The goal of the department is to provide outstanding levels of support and timely and cost-effective service and products while conforming to the highest level of Ethical standards.

** The Popular Annual Financial Report excludes non-cash expenses such as depreciation, amortization, write-offs, etc.

Board of Directors Approves Key Resolutions

FY 2023 was another productive year for the NCRTD Board of Directors as they passed a record 47 Resolutions including:

Long-Range Strategic Plan

In May of 2023, The Board of Directors approved a new Long-Range Strategic Plan (LRSP) that will affect all service areas in efforts to enrich main town centers, improve accessibility, and expand service. The LSRP details the commitments and goals of the District over a 20-year period and will be reviewed periodically throughout the upcoming years. This will ensure that the LRSP will stay up to date will current affairs and technology that may affect the District's plan. These projects will affect all service areas in the 10,000 square miles the North Central RTD covers in hopes of improving service for riders.

Notable projects include the following:

- Zero Emission Bus Plan to aid in the reduction of pollution. The District aims to transition its entire fleet to zero emission vehicles in a commitment to sustainability.

- An efficient microtransit system to establish greater mobility in communities of less than 2,000 people. This service aims to provide better flexibility and connection for rural regions.

- Expanded service on preexisting routes to provide more flexibility and connectivity among other state transportation services. The District hopes to include weekend service where applicable, make better timed transfers, and increase frequency on routes.

- Bus Rapid Transit system that streamlines routes connecting Santa Fe, Taos, and Española. This will be a high-frequency system that runs 7 days a week when fully operational. The North Central RTD is excited to pursue these goals with a service- oriented mindset. This plan was established to help District riders travel throughout the North Central New Mexico while making a commitment to sustainability, efficiency, and community. The District hopes to be a leader in the expansion and use of public transportation in New Mexico.

Tribal Transit Service Plan

The Board also in May approved a Tribal Transit Plan to serve as a foundational document to record existing transportation challenges and identify a strategic mobility vision for Tribal entities served by NCRTD. The planning effort focused on developing and evaluating transit service alternatives for the Jicarilla Apache Nation, Nambé Pueblo, Ohkay Owingeh, Picuris Pueblo, Pueblo of Pojoaque, Pueblo de San Ildefonso, Santa Clara Pueblo, Taos Pueblo, and Pueblo of Tesuque.

Other key resolutions adopted by the Board included:

- Authorizing an application to the New Mexico Department of Transportation for Transportation Alternatives Program Funds that resulted in a $59,808 funding award to update the NCRTD Americans with Disabilities Act Transition Plan.

- Authorizing an application for Carbon Reduction Program Grant Funding from the New Mexico Department of Transportation for a Park and Ride Facility at the Jim West Transit Center Property in Española for which $1,505,468 in funding was awarded.

- Authorizing an application resulting in $1,833,554 in federal funding for the renovation and expansion of the Jim West Regional Transit Center through a consolidated Application with the New Mexico Department of Transportation.

- Authorizing an application for federal funding to provide gap funding for the Construction of the Taos Operations and Maintenance Facility. A $4,160,000 award was received.

- Authorizing an application that resulted in $2,063,160 in federal funding through the Low or No Emission Competitive Grant Program for the procurement of three hybrid electric buses through a Consolidated Application with the New Mexico Department of Transportation.

- Adopting a Zero Emissions Bus Transition Plan

- Authorizing staff to collaborate with the Jicarilla Apache Nation to apply for federal funding through the Tribal Transit Program Competitive Grant Funding to build a restroom for passengers and staff at the Nation. A $629,707 award was received.

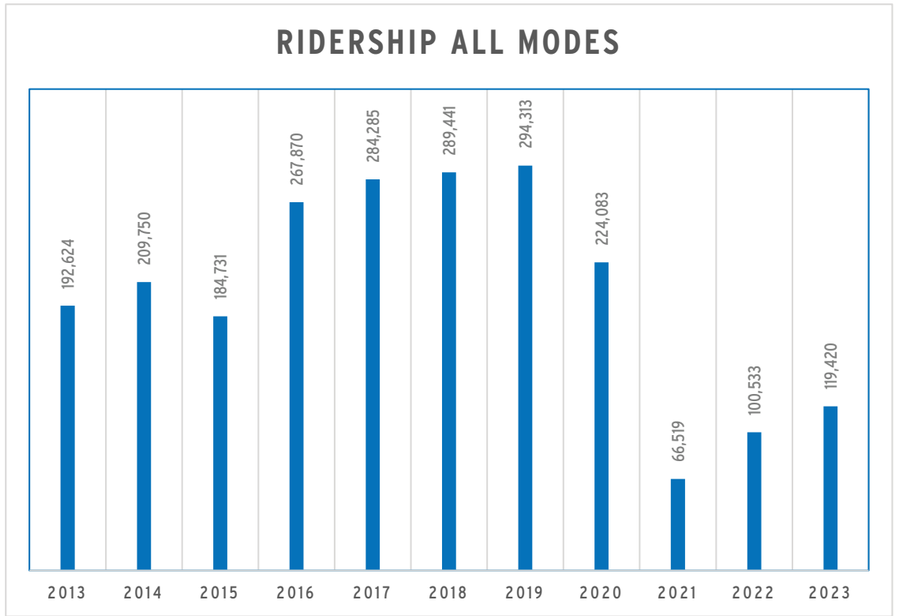
Ridership Continues To Recover as Service Reductions Continue

North Central RTD ridership continues to recover following an historic decline during the pandemic with overall ridership this fiscal year seeing a 6.9% increase over FY 2022. Ridership on NCRTD operated routes saw an 18.8% increase in trips and on NCRTD funded routes, there was an 8.5% decrease leading to a combined 6.9% increase in trips.

Ridership continues to be impacted by shortages of transit operators which resulted in the suspension or a reduction in service levels for 14 routes across the service area, a trend seen nationally in public transit sectors.

However, the District did bring several services back online during the last fiscal year. The Turquoise Trail route from Santa Fe to Madrid was reinstated and a new NM-599 Station route was added to serve the state complexes on the southwest side of Santa Fe. The Eldorado route returned to service.

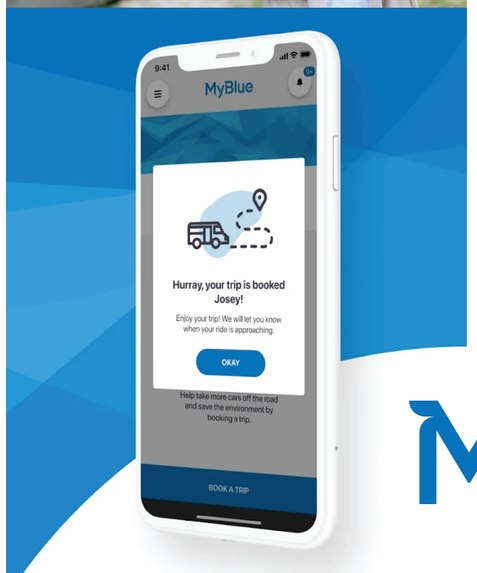
The graph below shows historical ridership over a 10 year period.



10 Year Total: 2,233,569

Community Thrives with MyBlue: A Transformative Microtransit Experience

Since the successful beta testing soft launch in 2022, the District's commitment to enhancing community mobility has taken a giant leap with the introduction of MyBlue™, our cutting-edge on-demand ridesharing service. The MyBlue™ North Central RTD app, a testament to our investment in innovation, empowers users to effortlessly book rides, track their journeys in real-time, and make seamless payments, all from the convenience of their smartphones. Operating within a 2-mile radius from the 340 Chile Line in Taos County and a 15-mile radius of the Española Transit Center in Rio Arriba and Santa Fe County, MyBlue™ will continue to become a go-to choice for efficient and affordable transportation.


9:41
MyBlue
Hurray, your trip is booked Josey!
Enjoy your trip! We will let you know when your ride is approaching.
OKAY
Help take more cars off the road and save the environment by booking a trip.
BOOK A TRIP

MyBlue™

Capital Projects Moving Forward

TAOS OPERATIONS AND MAINTENANCE FACILITY

The District broke ground on September 6, 2023 on a $17 million operations and maintenance facility in Taos. This project will support the greater Taos area by constructing maintenance and administrative space, allowing the Blue Bus to continue improving our communities' quality of life by providing a resilient, equitable, and effective public transportation system. When completed in early 2025, Blue Bus customers will benefit from the improved reliability, efficiency, safety, and effectiveness of transit operations. Funding for the project includes more than $12 million in grants from the Federal Transit Administration, the Bipartisan Infrastructure Law program.

The project will include 7,200 square feet of administrative space and 10,800 square feet of maintenance space. This includes bus, employee and visitor parking, state-of the-art vehicle maintenance, repair and wash bays, a fueling station, EV charging, administrative offices, employee support facilities such as training rooms, locker rooms, wellness space, and potential future workforce housing.

JIM WEST TRANSIT CENTER EXPANSION

Preliminary planning continued in FY 23 for the next phase of the $10.5 expansion of the Jim West Regional Transit Center in Española. The project will remodel and expand facilities for use by drivers, including a wellness center, a driver's lounge and additional meeting room and office space. Future phases will result in the construction of a 4,000 sq ft building and remodel and upgrade the Board Room and administrative facilities. Construction will take place over several years and may begin as early as summer of 2024.

- Phase I - Remodel of light maintenance bay into office space $2.2 million
- Phase II – Addition of new 4,000 square foot building with additional office and meeting space $6 million
- Phase III – Remodel and upgrading of existing administrative area, board room expansion, HVAC, Energy efficiencies and fire - $2.5 million

ZERO EMISSION FLEET

North Central RTD is committed to being an environmentally conscious and sustainable partner. One component of this goal is to reduce its carbon footprint through zero emission buses (ZEBs). The transition plan evaluates the current and planned facilities to determine how ZEBs can be accommodated, financial and funding efforts, and how the NCRTD workforce can support a zero-emission fleet. The District plans on incorporating charging stations at various current and planned facilities across the state.

Initial Additions

- 6 Electric Buses
- 10 Electric Vans
- 3 Hybrid diesel electric buses
- Charging facilities
- Project Cost $13 million

Time Frame

- FY 2023/2024 Design/Procurement
- FY 2024/2025 Construction of charging infrastructure
- FY 2025 Deployment
- 95 vehicle all electric fleet by 2045
- Ongoing assessment of other technology – fuel hydrogen cell vehicles
- $254 million total cost of transition

ESPAÑOLA WORKFORCE HOUSING

With the assistance of the North Central New Mexico Economic Development District, the the District has been evaluating a parcel of land adjacent to District's headquarters as a potential location for the construction of a workforce housing project for the use of NCRTD employees and their families. The proposed housing development is planned on three vacant acres owned by the District behind its administration and maintenance facility on North Riverside Drive. It is adjacent to a proposed 7-acre affordable housing development the city of Española is in the preliminary stages of planning. Both entities have come together to create a continuous workforce and affordable market rate housing developments on their respective sites.

The District will seek a Capital Outlay Funding Grant from the New Mexico legislature in 2024 in the amount of $4.5 million for the design and construction of work force housing.

The lack of affordable housing in the area has exacerbated the challenges the District faces in hiring drivers and other essential staff required to restore services on many routes that have been suspended due to driver shortages. Having an affordable housing option to offer current and future employees will help the District recruit and retain employees, enhance employees' quality of life, provide a safe alternative to limited housing in the area and reduce commute times.

BUS STOP AND AMENITIES DESIGN GUIDELINES

The District kicked off an extensive effort in FY 2023 to develop a set of guidelines that will inform the design and placement of bus stops and the amenities allocated to them, based on the present conditions surrounding the bus stop. The District is a relatively new transit authority and as such is in the process of developing its facilities to increase its administrative, maintenance, and operational capacity. This includes the development of bus stops to grow the public transit mode share within the North Central New Mexico region by improving the safety of public transit for riders and other motorists.

TRANSPORTATION ALTERNATIVE PROGRAM UPDATES BUS STOPS

The District continued its Transportation Alternatives Program (TAP). Phase IX of the project earmark 20 locations for The Americans with Disabilities Act (ADA) enhancements and Implementation of the Plan will bring District facilities, such as bus stops, into compliance with the Americans with Disabilities Act. Improvements will be made to bus stops throughout the District in the communities of Española, Santa Fe, Taos, Peñasco, Chimayó, Pueblo of Pojoaque, Eldorado, Tierra Amarilla, Hernandez and Velarde. The District anticipates the project will be bid in the spring of 2024, with construction beginning in the summer of 2024. Construction activities will include, grading, excavation work, demolition of sidewalks and/or old shelter pads, site preparation, installation of new sidewalks, installation of concrete shelter pads, small retaining walls, landscaping, irrigation repairs and installation of bus shelters, benches, solar power and trashcans.

NCRTD FACILITATES LOS ALAMOS NATIONAL LABORATORY TRANSIT IMPLEMENTATION STUDY

The District worked with planners at the Los Alamos National Laboratory (LANL) in FY 2023 to develop a Transit Implementation Study. With the LANL campus expected to grow from 15,000 to 18,000 employees by 2028, a comprehensive plan is beind designed to facilitate employees commuting to and from the Laboratory on either public transit or LANL run shuttles by 2028.

Finance Honors

For the eigth consecutive year, North Central RTD has been awarded the Certificate of Achievement for Excellence in Financial Reporting for the District's comprehensive annual financial report for the fiscal year ended June 30, 2022.

The report has been judged by the Government Finance Officers Association (GFOA) to meet the high standards of the program, which includes demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story and motivate potential users and user groups to read the report.

"The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management," according to a statement from the GFOA.

District Receives Regional Marketing Award

The Southwest Regional Transit Association honored NCRTD with a Spotlight Marketing Award for the District's rebranding project that resulted in a new design scheme for schedules, maps and brochures, updated logos and a stunning Blue Bus vehicle design that was developed in collaboration with communities across the District's service area. The District is in the process of rebranding all fleet vehicles and signage.

Take a Hike!
Special Messages
Azul // Tsoowee // Tsewa // Chaln-Chaln-Wen // Bleu //
T629
NORTH CENTRAL
RTD
Blue
bus

Blue bus™

NORTH CENTRAL REGIONAL TRANSIT DISTRICT
1327 N RIVERSIDE DR ESPAÑOLA, NM 87532
505-629-4725 | NCRTD.ORG